

105TH CONGRESS
1ST SESSION

H. R. 2600

To amend title XVIII of the Social Security Act and section 4626 of the Balanced Budget Act of 1997 to prohibit the Secretary of Health and Human Services from providing any incentive payments to hospitals to reduce the number of residents in graduate medical education programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 1, 1997

Mr. NUSSLE (for himself, Mr. POSHARD, Mr. MORAN of Kansas, Mr. MINGE, Mr. DEFazio, Mr. BEREUTER, Mr. PETERSON of Pennsylvania, Mr. HILLIARD, Mr. POMEROY, Mr. HAYWORTH, Mr. CAMP, Mr. COSTELLO, Mr. COOKSEY, Mr. UPTON, Mr. DEAL of Georgia, Mrs. MYRICK, Mr. BOSWELL, Mr. LATHAM, Mr. KIND of Wisconsin, and Ms. CHRISTIAN-GREEN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act and section 4626 of the Balanced Budget Act of 1997 to prohibit the Secretary of Health and Human Services from providing any incentive payments to hospitals to reduce the number of residents in graduate medical education programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. REPEAL OF INCENTIVE PAYMENTS FOR REDUC-**
2 **TION IN NUMBER OF GRADUATE MEDICAL**
3 **EDUCATION RESIDENTS.**

4 (a) IN GENERAL.—Paragraph (6) of section 1886(h)
5 of the Social Security Act (42 U.S.C. 1395ww(h)), as
6 added by section 4626(a) of the Balanced Budget Act of
7 1997 (Public Law 105–33), is repealed.

8 (b) APPLICATION TO NEW YORK DEMONSTRATION
9 PROJECT; ELIMINATION OF ANY PAYMENT AUTHOR-
10 ITY.—Section 4626 of the Balanced Budget Act of 1997
11 is amended—

12 (1) by amending subsection (b) to read as fol-
13 lows:

14 “(b) ELIMINATION OF PAYMENT AUTHORITY.—

15 “(1) The Secretary of Health and Human Serv-
16 ices is not authorized to approve or provide any pay-
17 ments for any demonstration project described in
18 paragraph (2) for any residency training year begin-
19 ning on or after July 1, 1998.

20 “(2) A demonstration project described in this
21 paragraph is a project that primarily provides for
22 additional payments under title XVIII of the Social
23 Security Act in connection with a reduction in the
24 number of residents in a medical residency training
25 program.”; and

26 (2) by striking subsection (c).

1 **SEC. 2. PAYMENT OFFSETS.**

2 (a) NO RETROACTIVE APPLICATION OF ESRD SEC-
 3 ONDARY PAYER INTERPRETATION.—Notwithstanding any
 4 other provision of law, the April 1995 interpretation of
 5 section 1862(b)(1)(C) of the Social Security Act (42
 6 U.S.C. 1395y(b)(1)(C)) issued by the Health Care Fi-
 7 nancing Administration shall not apply retroactively to a
 8 group health plan that paid benefits primary to title XVIII
 9 of such Act (42 U.S.C. 1395 et seq.) (but would have paid
 10 benefits secondary to such title in the absence of such sec-
 11 tion) on or after August 10, 1993, and before April 24,
 12 1995, on behalf of an individual who, during such pe-
 13 riod—

14 (1) was entitled to benefits under such title
 15 under subsection (a) or (b) of section 226 of such
 16 Act (42 U.S.C. 426); and

17 (2) subsequently became entitled or eligible for
 18 benefits under such title under section 226A of such
 19 Act (42 U.S.C. 426–1).

20 (b) EXTENDING COBRA CONTINUATION COVERAGE
 21 FOR END STAGE RENAL DISEASE MEDICARE BENE-
 22 FICIARIES FOR 36 Months.—

23 (1) AMENDMENTS TO THE INTERNAL REVENUE
 24 CODE OF 1986.—Section 4980B(f)(2)(B)(iv) of the
 25 Internal Revenue Code of 1986 is amended—

1 (A) by striking “or” at the end of sub-
 2 clause (I),

3 (B) in subclause (II), by inserting “other
 4 than under section 226A of such Act” after
 5 “Social Security Act”,

6 (C) by striking the period at the end of
 7 subclause (II) and inserting “, or”, and

8 (D) by adding at the end the following:

9 “(III) in the case of a qualified
 10 beneficiary other than a qualified ben-
 11 eficiary described in subsection
 12 (g)(1)(D) entitled to benefits under
 13 title XVIII of the Social Security Act
 14 under section 226A of such Act for a
 15 period of 36 months.”.

16 (2) AMENDMENTS TO ERISA.—Section
 17 602(2)(D) of the Employee Retirement Income Se-
 18 curity Act of 1974 (29 U.S.C. 1162(2)(D)) is
 19 amended—

20 (A) by striking “or” at the end of clause
 21 (i),

22 (B) in clause (ii), by inserting “other than
 23 under section 226A of such Act” after “Social
 24 Security Act”,

(C) by striking the period at the end of clause (ii) and inserting “, or”, and

(D) by adding at the end the following:

“(iii) in the case of a qualified beneficiary other than a qualified beneficiary described in section 607(3)(C) entitled to benefits under title XVIII of the Social Security Act under section 226A of such Act for a period of 36 months.”.

(3) AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.—Section 2202(2)(D) of the Public Health Service Act (42 U.S.C. 300bb–2(2)(D)) is amended—

(A) by striking “or” at the end of clause

(i),

(B) in clause (ii), by inserting “other than under section 226A of such Act” after “Social Security Act”,

(C) by striking the period at the end of clause (ii) and inserting “, or”, and

(D) by adding at the end the following:

“(iii) in the case of a qualified beneficiary entitled to benefits under title XVIII of the Social Security Act under

1 section 226A of such Act for a period of
2 36 months.”.

3 (4) EFFECTIVE DATE.—The amendments made
4 by this subsection shall apply to individuals who be-
5 come eligible for benefits under title XVIII of the
6 Social Security Act under section 226A of such Act
7 on and after the date of the enactment of this Act.

8 (c) EXTENSION OF MEDICARE ESRD SECONDARY
9 PAYER PERIOD TO 36 MONTHS.—The last sentence of
10 section 1862(b)(1)(C) of the Social Security Act (42
11 U.S.C. 1395y(b)(1)(C)), as added by section 4631(b)(2)
12 of the Balanced Budget Act of 1997 (Public Law 105–
13 33), is amended by striking “30-month” and inserting
14 “36-month”.

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